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Electronically FILED by
Superior Court of California,
County of Los Angeles
12/29/2025 2:00 PM
David W. Slayton,
Executive Officer/Clerk of Court,
By L. Khalatian, Deputy Clerk

Attorneys for Plaintiff HECTOR SANCHEZ as a designated Private Attorney General, pursuant to the Private Attorney General Act

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

HECTOR SANCHEZ, as a designated
Private Attorney General, pursuant to the
Private Attorney General Act,

Plaintiff,

v.

AUTO X, INC.; and DOES 1 through 50,
inclusive,

Defendants.

Case No.: **25CHCV04623**

COMPLAINT FOR DAMAGES

1. Violation of the Private Attorneys General Act, Labor Code §2698 et seq. for Recovery of Unpaid Wages and Overtime;
2. Violation of the Private Attorneys General Act, Labor Code §2698 et seq for Failure to Provide Meal Periods;
3. Violation of the Private Attorneys General Act, Labor Code §2698 et seq for Failure to Provide Rest Periods;
4. Violation of the Private Attorneys General Act, Labor Code §2698 et seq for Failure to Provide Accurate Itemized Wage Statements;
5. Violation of the Private Attorneys General Act, Labor Code §2698 et seq for Failure to Reimburse for Necessary Business Expenditures; and
6. Violation of the Private Attorneys General Act, Labor Code §2698 et seq for Failure to Pay Wages Due Upon Termination of Employment.

1 Plaintiff HECTOR SANCHEZ (“Plaintiff”), on behalf of the State of California,
2 complains and alleges as follows:

3 **INTRODUCTION**

4 1. This is an action brought on solely on behalf of state of California as a Private
5 Attorney General pursuant to the Private Attorney General Act (2004), and more specifically,
6 Labor Code §2698 et seq. as a result of one or more of the violations of the California Labor Code
7 alleged herein by Defendant AUTO X, INC (“Defendant”). The term “RELEVANT TIME
8 PERIOD” or “TIME PERIOD” is defined as one (1) year and sixty-five (65) days prior to the
9 filing of the complaint. Plaintiff as a Private Attorney General, reserves the right to amend this
10 complaint to reflect a different “Time Period” as further discovery is conducted.

11 2. Plaintiff, on behalf of the State of California as a Private Attorney General seeks
12 relief against Defendant for its: (1) failure to pay all wages due, including minimum and overtime
13 wages; (2) statements failure to provide meal periods or compensation in lieu thereof, (3) failure
14 to provide rest periods or compensation in lieu thereof, (4) failure to provide accurate itemized
15 wage statements; (5) failure to reimburse for necessary business expenses; and (6) failure to pay
16 wages due upon termination of employment.

17 3. At all relevant times herein, Defendant has consistently maintained and enforced
18 the following unlawful policies and practices against its workforce by:

- 19 (a) Willfully refusing to pay all hours worked, including both minimum and overtime
20 wages;
- 21 (b) Willfully refusing to provide timely uninterrupted meal and rest periods or
22 adequate compensation in lieu thereof; and
- 23 (c) Willfully refusing to furnish accurate itemized wage statements upon payment of
24 wages;
- 25 (d) Willfully refusing to reimburse necessary business expenses; and
- 26 (e) Willfully refusing to pay all wages due upon separation of employment.

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7. Further, there is no federal question at issue as the issues herein are based solely on California statutes and law, including the Labor Code, Code of Civil Procedure, Business and Professions Code, and California Rules of Court.

Plaintiff

Defendant

10. Plaintiff is ignorant of the true names, capacities, relationships, and extent of participation in the conduct herein alleged of Defendant sued herein as DOES 1 through 50, inclusive, but on information and belief alleges that said Defendant is legally responsible for the

violations alleged herein. Plaintiff will amend this complaint to allege the true names and capacities of the DOE Defendants when ascertained.

11. Plaintiff is informed believes, and thereon alleges, that each Defendant acted in all respects pertinent to this action as the agent of the other Defendants, carried out a joint scheme, business plan, or policy in all respects pertinent hereto, and the acts of each Defendant are legally attributable to the other Defendants. Furthermore, Defendants operate as a joint venture and/or single business enterprise, integrated enterprise and/or are agents of one another, are alter egos, joint employers and conspire with one another to increase profits by engaging in the conduct described in this complaint.

12. Plaintiff is informed and believes, and based thereon alleges, that each Defendant acted in all respects as the agent, servant, partner, joint venture, alter-ego, employee, proxy, managing agent, and/or principal of the co-Defendants, and in performing the actions mentioned below was acting, at least in part, within the course and scope of that authority as such agent, proxy, servant, partner, joint venture, employee, alter-ego, managing agent, and/or principal with the permission and consent of the co-Defendants. Plaintiff also alleges the acts of each Defendant are legally attributable to the other Defendants.

PAGA ADMINISTRATIVE PREREQUISITE

13. Plaintiff brings this case as Private Attorney General pursuant to the Private Attorney General Act (2004), and mores specifically, Labor Code section 2698 et seq. seeking penalties, as provided by the Private Attorney General Act, Labor Code section 2698 et seq. (“PAGA”).

14. Prior to filing this complaint, on October 17, 2025, Plaintiff gave written notice by certified electronic mail to the Labor and Workforce Development Agency (“LWDA”) and to Defendant of the specified provisions alleged to have been violated, including the facts and theories to support the alleged violation as required by Labor Code section 2699.3. A true and correct copy of Plaintiff’s original letter dated October 17, 2025, sent to the LWDA on October 17, 2025, is attached hereto as Exhibit A.

1 15. More than sixty-five (65) days have passed since Plaintiff submitted his notice to
2 the LWDA and Defendant of the specific alleged Labor Code violations, and the LWDA has not
3 provided notice to Plaintiff of its intent to investigate such alleged violations. Plaintiff further has
4 received no notice of Defendant; intent to cure any of the alleged violations. Therefore, Plaintiff
5 has satisfied the administrative prerequisites for filing this action as a Private Attorney General
6 with regard to his PAGA notice.

7 **FACTUAL ALLEGATIONS**

8 16. This lawsuit arises out of an ongoing wrongful scheme by Defendant to deny its
9 employees the benefits due under California's wage and hour laws for work performed in
10 California. Defendant wrongfully refused to compensate its employees for minimum wages,
11 overtime compensation, provide timely uninterrupted meal and rest periods, provide accurate
12 wage statements, and pay wages owed at the end of the employment, as required under California
13 law.

14 17. Throughout the Relevant Time Period, Defendant employed hourly non-exempt
15 positions throughout California. Defendant failed to pay its non-exempt hourly employees earned
16 wages by failing to pay for all hours worked and failing to pay the proper overtime rates of pay,
17 among other things. Non-exempt hourly employees were frequently required to work through
18 meal periods. Defendant failed or refused to provide premium compensation to non-exempt
19 hourly employees for all late meal periods, short meal periods, and all missing meal periods.

20 18. In addition, Defendant required non-exempt hourly employees to work under a
21 "Rounding Policy" that is not fair and neutral and resulted, over a period of time, in failure to
22 compensate the employees properly for all the time they have actually worked, in violation of the
23 various applicable Wage Orders, regulations and statutes, and the Defendant: (1) Willfully failed
24 and refused, and continue to fail and refuse to pay compensation for all hours worked, including
25 minimum wage and lawful overtime compensation to non-exempt hourly employees; and (2)
26 willfully failed and refused, and continue to fail and refuse to pay due and owing wages promptly
27 upon termination of employment to non-exempt hourly employees.

1 19. Plaintiff is informed and believes, and based thereon alleges, that Defendant's
2 policies and practices described herein are common within the State of California.

3 20. Plaintiff is informed and believes, and based thereon alleges, that at all times
4 herein mentioned, Defendant was advised by skilled lawyers, employees and other professionals
5 who were knowledgeable about California's wage and hour laws, employment and personnel
6 practices, and the requirements of California law.

7 21. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
8 or should have known that by not compensating its employees for all hours worked, including
9 minimum, regular, and overtime wages, for work that was required to be performed was in
10 violation of the California labor code. In violation of the Labor Code and IWC Wage Orders,
11 Defendant failed to pay its employees earned wages by failing to compensate at the mandatory
12 minimum wage and proper overtime rate. Defendant also failed to pay its employees at the
13 requisite overtime rate for all hours worked in excess of eight (8) hours and/or twelve (12) hours
14 per workday.

15 22. Plaintiff alleges that Defendant failed to compensate its employees at the legally
16 mandated wage rates for all hours worked. Specifically, Defendant failed to pay Plaintiff and
17 other non-exempt hourly employees earned wages by failing to pay for all hours worked and
18 failing to pay for all hours worked and the proper overtime rate of pay, among other things.
19 Plaintiff and other non-exempt hourly employees were frequently required to work through meal
20 periods and attend to work responsibilities while off-the-clock. Further, Defendant failed or
21 refused to provide premium compensation to Plaintiff and other non-exempt hourly employees
22 for all late meal periods, short meal periods, and all missing meal periods. Further, Defendant
23 failed to record and/or pay Plaintiff and other non-exempt hourly employees for all hours worked
24 wherein Defendant's employees were denied pay each workday while attempting to clock in for
25 their shifts.

26 23. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
27 or should have known that it was required to provide its employees with itemized wage statements
28 that accurately showed their actual hours worked, total hours worked, number of hours worked at

1 each hourly rate, gross and net wages earned, and premium wages earned per pay period in
2 accordance with California law. In violation of the Labor Code, Defendant failed to provide its
3 employees with accurate itemized wage statements showing their rate of pay, the actual hours
4 worked, correct premium wages earned per pay period, as well as the total hours work per pay
5 period.

6 24. By failing to include on its wage statements all minimum wage and overtime owed,
7 Defendant failed to keep and provide accurate wage statements in violation of the California labor
8 code.

9 25. Plaintiff is informed and believes, and based thereon alleges, that Defendant knew
10 or should have known that its employees were entitled to timely payment of wages due upon
11 separation of employment. In violation of the Labor Code, Defendant failed to pay all wages due,
12 within permissible time periods, upon separation of employment.

13 **FIRST CAUSE OF ACTION**

14 **VIOLATION OF PAGA FOR RECOVERY OF UNPAID MINIMUM WAGE AND**
15 **OVERTIME**

16 **(Plaintiff As a Private Attorney General Against All Defendants)**

17 26. Plaintiff realleges and incorporates by reference the preceding paragraphs of this
18 complaint as if fully set forth herein.

19 27. Any work in excess of eight (8) hours in any workday and any work in excess of
20 forty (40) hours in a workweek shall be compensated at a rate of no less than one and one-half
21 (1 & ½) times the regular rate of pay for an employee. (Labor Code § 510(a); IWC Wage Order
22 9-2001, Sect. 3(A).) Any work in excess of twelve (12) hours in a workday shall be compensated
23 at the rate of twice the regular rate of pay for an employee. (*Ibid.*)

24 28. Defendant's employees regularly worked over eight (8) hours per day and forty
25 (40) hours per week. Defendant failed to pay its employees minimum wage for all hours worked
26 and overtime premium for hours worked in excess of over eight (8) hours per day and/or forty
27 (40) hours per week for work performed for the Defendant. Defendant required non-exempt
28 hourly employees to work under a "Rounding Policy" that is not fair and neutral and resulted,

1 over a period of time, in failure to compensate the employees properly for all the time they have
2 actually worked, in violation of the various applicable Wage Orders, regulations and statutes, and
3 the Defendant: (1) Willfully failed and refused, and continue to fail and refuse to pay
4 compensation for all hours worked, including minimum wage and lawful overtime compensation
5 to non-exempt hourly employees; and (2) willfully failed and refused, and continue to fail and
6 refuse to pay due and owing wages promptly upon termination of employment to non-exempt
7 hourly employees. In addition, non-exempt hourly employees were obligated to work off-the-
8 clock as a result of Defendant's failure to adequately staff employees and Defendant exerted
9 control of Plaintiff and other employees off-the-clock.

10 29. Since the LWDA has not indicated that it will be investigating more than sixty-
11 five (65) days since Plaintiff provided notice, and because Defendant took no corrective action to
12 remedy the allegations set forth above, Plaintiff, as a Private Attorney General, will seek any and
13 all penalties otherwise capable of being collected by the Labor Commission, the LWDA and/or
14 the Department of Labor Standards Enforcement ("DLSE"). This includes each of the following,
15 as set forth in Labor Code section 2699.5, which provides that section 2699.3, subdivision (a),
16 applies to any alleged violation of the following provisions: 510 and 1194.

17 30. Plaintiff is informed and believes that Defendant have violated, and continues to
18 violate, provisions of the Labor Code and applicable Wage Orders related to the payment of
19 minimum wages and overtime.

20 31. Plaintiff, as a Private Attorney General, will and does seek to recover any and all
21 penalties for each and every violation shown to exist or to have occurred during the Relevant
22 Time Period, in an amount according to proof, as to those penalties that are otherwise only
23 available to public agency enforcement actions.

24 32. Additionally, Plaintiff as a Private Attorney General are entitled to attorney's fees
25 and costs pursuant to Labor Code sections 2699, subdivision (g)(1), 218.5, 1194, and prejudgment
26 interest.

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**VIOLATION OF PAGA FOR FAILURE TO PROVIDE MEAL PERIODS OR
COMPENSATION IN LIEU THEREOF**

33. Plaintiff realleges and incorporates by reference the preceding paragraphs of this complaint as if fully set forth herein.

35. Labor Code section 226.7 provides that if an employer fails to provide an employee with a meal period in accordance with this section, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided in accordance with this section. Plaintiff alleges Defendant failed to provide legally compliant meal periods in addition to impeding, discouraging, dissuading and/or not relieving employees from all work duties during meal periods thereby preventing employees from taking legally compliant meal periods.

37. Plaintiff and other non-exempt hourly employees did not voluntarily or willfully waive meal periods.

39. Plaintiff, as a Private Attorney General, will and does seek to recover any and all penalties for each and every violation shown to exist or to have occurred during the Relevant Time Period, in an amount according to proof, as to those penalties that are otherwise only available to public agency enforcement actions.

1 40. Additionally, Plaintiff as a Private Attorney General are entitled to attorney's fees
2 and costs pursuant to Labor Code sections 2699, subdivision (g)(1), 218.5, 1194, and prejudgment
3 interest.

4 **THIRD CAUSE OF ACTION**

5 **VIOLATION OF PAGA FOR FAILURE TO PROVIDE REST PERIODS OR**
6 **COMPENSATION IN LIEU THEREOF**

7 **(Plaintiff As a Private Attorney General Against All Defendants)**

8 41. Plaintiff realleges and incorporates by reference the preceding paragraphs of this
9 complaint as if fully set forth herein.

10 42. Labor Code section 226.7 and IWC Wage Order 9-2001, section 12 provides that
11 employers authorize and permit all employees to take rest periods at the rate of ten (10) minutes
12 rest time per four (4) work hours, or major fraction thereof.

13 43. Labor Code section 226.7, subdivision (b) provides that if an employer fails to
14 provide and employee rest periods in accordance with this section, the employer shall pay the
15 employee one (1) hour of pay at the employees' regular rate of compensation for each workday
16 that the rest period is not provided. Plaintiff and other employees consistently worked over four
17 (4) hours per shift with no rest breaks, due to Defendant's uniform policies and practices.

18 44. As described above, Defendant failed to reasonably make available rest breaks to
19 Plaintiff and other non-exempt hourly employees throughout the Relevant Time Period.

20 45. Plaintiff, as a Private Attorney General, will and does seek to recover any and all
21 penalties for each and every violation shown to exist or to have occurred during the Relevant
22 Time Period, in an amount according to proof, as to those penalties that are otherwise only
23 available to public agency enforcement actions.

24 46. Additionally, Plaintiff as a Private Attorney General are entitled to attorney's fees
25 and costs pursuant to Labor Code sections 2699, subdivision (g)(1), 218.5, 1194, and prejudgment
26 interest.

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1 **FOURTH CAUSE OF ACTION**

2 **VIOLATION OF PAGA FOR FAILURE TO PROVIDE ACCURATE ITEMIZED**
3 **WAGE STATEMENTS**

4 **(Plaintiff As a Private Attorney General Against All Defendants)**

5 47. Plaintiff realleges and incorporates by reference the preceding paragraphs of this
6 complaint as if fully set forth herein.

7 48. Labor Code section 226, subdivision (a), states in pertinent part that, “every
8 employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her
9 employees, either as a detachable part of the check, draft, or voucher paying the employee’s
10 wages, or separately when wages are paid by personal check or cash, an accurate itemized
11 statement in writing showing: (1) gross wages earned; (2) total hours worked by the employee . .
12 . ; (3) the number of piece-rate units earned . . . ; (4) all deductions . . . ; (5) net wages; (6) the
13 inclusive dates of the period for which the employee is paid; (7) the name of the employee and
14 only the last four digits of his or her social security number or an employee identification number
15 other than a social security number; (8) the name and address of the legal entity that is the
16 employer . . . ; and (9) all applicable hourly rates in effect during the pay period and corresponding
17 number of hours worked at each hourly rate by the employee...” (Lab. Code, § 226.)

18 49. Defendant knowingly and intentionally failed to provide timely and accurate
19 itemized wage statements to its employees in accordance with Labor Code section 226,
20 subdivision (a), by failing to record the accurate number of hours worked, the accurate rate of pay
21 for each hour worked, the accurate amount of premiums wages earned, the accurate net pay, and
22 the accurate gross pay. Such failure caused injury to its employees in violation of the California
23 labor code.

24 50. Plaintiff, as a Private Attorney General pursuant to the Private Attorney General
25 Act (2004), and more specifically, Labor Code section 2698, will and does seek to recover any
26 and all penalties for each and every violation shown to exist or to have occurred during the
27 Relevant Time Period, in an amount according to proof, as to those penalties that are otherwise
28 only available to public agency enforcement actions. Funds recovered will be distributed in

1 accordance with the PAGA.

2 51. Additionally, Plaintiff is entitled to attorneys' fees and costs pursuant to Labor
3 Code section 2699, subdivision (g)(1), and prejudgment interest.

4 **FIFTH CAUSE OF ACTION**

5 **VIOLATION OF PAGA FOR FAILURE TO REIMBURSE**

6 **NECESSARY BUSINESS EXPENDITURES**

7 **(Plaintiff As a Private Attorney General Against All Defendants)**

8 52. A Plaintiff realleges and incorporates by reference the allegations in the preceding
9 paragraphs.

10 53. Labor Code section 2802 states that "An employer shall indemnify his or her
11 employee for all necessary expenditures or losses incurred by the employee in direct consequence
12 of the discharge of his or her duties..."

13 54. Defendant failed to reimburse its employees for necessary expenditures as a direct
14 consequence of the discharge of their duties.

15 55. Defendant knowingly, willingly, and intentionally attempted to offset the cost of
16 doing business on its employees in violation of the California Labor Code.

17 56. Defendant has a corporate practice and policy of requiring its employees to
18 shoulder the burden of Defendant's cost of doing business by failing to reimburse its employees
19 for necessary business expenditures, specifically requiring employees to utilize their personal
20 phones to communicate with Defendant at their own expense.

21 57. Plaintiff acting as a Private Attorney General pursuant to the Private Attorney
22 General Act (2004), and more specifically, Labor Code section 2698, will and does seek to recover
23 any and all penalties for each and every violation shown to exist or to have occurred during the
24 Relevant Time Period, in an amount according to proof, as to those penalties that are otherwise
25 only available to public agency enforcement actions. Funds recovered will be distributed in
26 accordance with the PAGA.

27 58. Accordingly, Plaintiff entitled to attorneys' fees and costs pursuant to Labor Code
28 section 2699, subdivision (g)(1), and prejudgment interest.

1 **SIXTH CAUSE OF ACTION**

2 **VIOLATION OF PAGA FOR FAILURE TO PAY WAGES DUE UPON**

3 **TERMINATION OF EMPLOYMENT**

4 **(Plaintiff As a Private Attorney General Against All Defendants)**

5 59. Plaintiff realleges and incorporates by reference the preceding paragraphs of this
6 complaint as if fully set forth herein.

7 60. Employees who ended their employment with Defendant during the Relevant
8 Time Period, were entitled to be promptly paid all wages owed, including both minimum wage
9 and lawful overtime compensation and other premiums, as required by Labor Code sections 201
10 and 203.

11 61. Defendant refused and/or failed to promptly compensate its employees for wages
12 owed as a result of Defendant's failure to properly pay meal and rest break premiums, and
13 minimum and overtime compensation owed for work performed for Defendant.

14 62. Plaintiff, as a Private Attorney General pursuant to the Private Attorney General
15 Act (2004, and more specifically, Labor Code §2698 et seq, will seek any and all penalties
16 otherwise capable of being collected by the Labor Commission and/or the DLSE. This includes
17 each of the following, as set forth in Labor Code section 2699.5, which provides that section
18 2699.3, subdivision (a), applies to any alleged violation of the following provisions: 201-203,
19 226, 226.7, 510, 512, 1174, and 1194.

20 63. Plaintiff, as a personal representative of the general public, will and does seek to
21 recover any and all penalties for each and every violation shown to exist or to have occurred
22 during the Relevant Time Period, in an amount according to proof, as to those penalties that are
23 otherwise only available to public agency enforcement actions. Funds recovered will be
24 distributed in accordance with the PAGA.

25 64. Additionally, Plaintiff as a Private Attorney General is entitled to attorneys' fees
26 and costs pursuant to Labor Code section 2699, subdivision (g)(1), and prejudgment interest.

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1 **PRAYER FOR RELIEF**

2 **WHEREFORE**, Plaintiff as a Private Attorney General pray for judgment as follows:

- 3 1. For civil penalties for each violation as provided by law, including, but not
4 limited to, those civil penalties provided by PAGA;
- 5 2. For costs of suit and expenses incurred herein pursuant to Labor Code section
6 2699, subdivision (g), and any other statutory basis or pursuant to the
7 California Rules of Court;
- 8 3. For reasonable attorneys' fees pursuant to Labor Code section 2699,
9 subdivision (g), and any other statutory basis; and
- 10 4. For all such other and further relief as the Court may deem just and proper.
- 11

12 Dated: December 23, 2025

MAHONEY LAW GROUP, APC

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14 _____
15 Kevin Mahoney, Esq.
16 John A. Young, Esq.
17 Attorneys for Plaintiff HECTOR SANCHEZ
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EXHIBIT A



562.590.5550 phone
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jyoung@mahoney-law.net

October 17, 2025

VIA ONLINE SUBMISSION

LABOR AND WORKFORCE DEVELOPMENT AGENCY
dir.govfa.net/411

VIA CERTIFIED MAIL # 9589 0710 5270 2375 1925 30

Return Receipt Requested

Auto X, Inc.
ATTN: Gene Student
12601 Encinitas Ave.
Sylmar, CA 91342

Re: *Hector Sanchez v. Auto X, Inc.*

**NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO
LABOR CODE SECTION SECTIONS 2698 *et seq.***

To: California Labor and Workforce Development Agency and Auto X, Inc.

From: Hector Sanchez, on behalf of himself and aggrieved employees who were subject to Auto X, Inc.'s unlawful wage and hour policies as set forth below.

Factual Statement

Please note that this firm, Mahoney Law Group, APC, represents the interests of Hector Sanchez ("Mr. Sanchez") as a representative for all other aggrieved employees, who intends to file a complaint alleging various Labor Code violations and seeking civil penalties under the Private Attorneys General Act of 2004, Labor Code section 2698, *et seq.* ("PAGA").

Theories of Labor Code Violations and Remedies

Auto X, Inc. ("Employer") is an automobile accessory distributor with location(s) in California, including Sylmar, California. Mr. Sanchez worked for Employer as a non-exempt employee within the past year. Mr. Sanchez alleges that Employer violated various sections of the Labor Code, including sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1174, 1182.12, 1194, 1197, and 2802 by failing to provide Mr. Sanchez and all other aggrieved employees (1) all wages for all hours worked, including minimum wage and overtime pay, (2) their legally mandated meal and rest periods; (3) their legally mandated premium pay in lieu of compliant meal and rest periods; (4) accurate and complete wage statements required by law; (5) legally required waiting penalties

to former employees upon the termination or other end of employment; and (6) reimbursement for business-related expenses. Mr. Sanchez and similarly aggrieved employees consist of identifiable, current, and/or former similarly situated persons who worked for Employer as non-exempt employees during the PAGA Period defined as one year prior to the submission of this letter to the Labor Workforce and Development Agency (“LWDA”) and certified mailing to Employer until resolution of these claims.

Employer failed to pay Mr. Sanchez and other aggrieved employees for all hours worked at the legally mandated wage rates for all hours worked. Employer failed to pay Mr. Sanchez and other aggrieved employees all legally mandated wages, including minimum and overtime wages, for all work performed, in violation of California law. Specifically, Mr. Sanchez and other aggrieved employees were obligated by the Employer to complete their work duties while off-the-clock in order to meet deadlines. Further, Mr. Sanchez and other aggrieved employees were obligated by the Employer to perform work while clocked-out for their meal periods. Lastly, Employer failed to pay Employee and aggrieved employees the legally mandated wage rates for all hours worked. Instead, Employer paid Employee and aggrieved employees under a “Rounding Policy” that is not fair and neutral and resulted, over a period of time, in failure to compensate the employees properly for all the time they have actually worked. As such, Mr. Sanchez and other aggrieved employees were not adequately compensated the proper amount of wages during their employment. Employer’s conduct is in violation of Labor Code Sections 294, 510, and 1194, and is actionable under PAGA

Secondly, Employer failed to provide Mr. Sanchez and other aggrieved employees with timely uninterrupted meal and rest periods. In order to curtail labor costs, Employer understaffed work shifts resulting in Mr. Sanchez and other aggrieved employees being unable to take work-free meal and rest periods. Employer consistently required Mr. Sanchez and other aggrieved employees to work beyond six hours such that they were legally entitled to two rest periods and a single meal period. Employer scheduled Mr. Sanchez and other aggrieved employees’ meal period after the fifth hour and obligated employees to work through rest breaks. Due to Employer’s policy and practices which prioritized work tasks over meal and rest period compliance, Mr. Sanchez and similarly aggrieved employees did not receive timely meal and rest periods, due the lack of adequate relief coverage. Employer failed to pay Mr. Sanchez and other aggrieved employees a meal and/or rest break premium when these Labor Code violations occurred. Employer’s conduct, which is in violation of Labor Code sections 226.7, 512, as well as 8 CCR section 11050, subdivisions 11 and 12, is also actionable under PAGA.

As a result of Employer’s failure to pay all wages owed as described herein, Employer further failed to keep accurate payroll records and failed to provide Mr. Sanchez and other aggrieved employees with complete and accurate wage statements showing the true number of hours worked and accurate wages earned per pay period. Further, Employer failed to include its actual legal entity name on Mr. Sanchez’s and other employees’ wage statements. This conduct is in violation of Labor Code sections 226 and 1174 and is actionable under PAGA.

As a further result of Employer's failure to pay all wages owed as described herein, Employer also violated Labor Code sections 201, 202, and 203, due to its uniform policy, practice and procedure of failing to pay all wages earned to former employees.

Employer also failed to reimburse Mr. Sanchez and other aggrieved employees for necessary business expenses incurred in the course of performing their job duties. Mr. Sanchez and other aggrieved were required to use their personal phone to communicate with Employer amongst other uses to complete their work-related responsibilities without reimbursement. Employer's failure to reimburse Mr. Sanchez and other aggrieved employees for work-related expenses is a direct violation of Labor Code Section 2802.

Mr. Sanchez will bring his lawsuit on behalf of himself and all other aggrieved employees who were employed by Employer. Please advise if the LWDA has any objection to my client including PAGA claims in his complaint. We look forward to your response, and please feel free to contact our office if you have any questions, comments or concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Young", is positioned above a horizontal line.

John Young, Esq.
MAHONEY LAW GROUP, APC